IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

Arbitration Application No.41 of 2006

Eurokids International Pvt Ltd. ...Applicants
vs
Adharshila and another. ...Respondents

Mr Vyapak Desai i/b Nishith Desai & Associates
for the Applicants.
None for respondents.

CORAM: J.N. PATEL,Acg C.J.

DATE: March 16, 2007.

P.C.:-

Heard the learned counsel for the parties.

The learned counsel for the applicants undertakes to deposit Rs.3000/-as processing fee under clause 12 of the Appointment of Arbitrators by the Chief Justice of Bombay High Court Scheme, 1996 within a period of two weeks.

1. The applicants have filed this application seeking direction from this court to appoint an Arbitrator in order to decide the dispute relating to the claim of the applicants against the respondents.

2. It is the case of the applicants company that they have started play schools and nursery classes in or about June 2001 under the trade name and style Euro Kids. In order to

establish a nationwide network of Euro Kids play schools, the applicants decided to enter into franchising arrangements with parties interested in operating the Euro Kids Pre-Schools. It is the case of the applicants that in or about April 2002, the respondents approached them for continuing with their appointment as the franchisees of the applicants at Ameerpet Location after termination of the Master Franchise arrangement in Andhra Pradesh. Pursuant to this the applicants appointed the respondents as their franchisees under agreement dated 24th January 2003.

3. It is the case of the applicants that the said franchise did not work and it resulted in disputes on various counts. Accordingly the applicants were required to issue notice to the respondents on 27th January 2005 calling upon the respondents to settle the disputes as respondents committed number of breaches of the agreement, which resulted in the breaking of the franchise agreement, by termination notice dated 15th June 2004. The applicants by the said notice invoked clause 15 of the agreement and nominated Mr. Rahul Chitnis, Advocate, as the sole arbitrator.

4. The applicants also found it difficult to serve respondents. Ultimately permission was sought to serve the respondents by

substituted service i.e. publication in the newspapers. In spite of notice being published, none appears for the respondents.

5. This court appoints Shri S.R.Shah, retired Judge of the City Civil Court, Bombay as the arbitrator in the matter.

Application stands disposed of.

ACTING CHIEF JUSTICE